



National
Foreign
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APPROVED FOR RELEASE
DATE: OCT 2001

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Nigeria: The Evolution of Foreign Policy and Civilian Rule

Interagency Intelligence Memorandum
Answer

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NT 100-70-1000001
August 1970

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NIGERIA: THE EVOLUTION OF FOREIGN POLICY AND CIVILIAN RULE

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ANNEX A

NIGERIA IN THE NORTH-SOUTH DIALOGUE

Nigerian leaders have generally seen the North-South dialogue as one means of establishing their bona fides for leadership of the African states in the United States and other multilateral settings. Although they do not stand to gain very much from the specific proposals of the Group of 77 (G-77) on key issues, they lend relatively uncritical support to the overall program for a New International Economic Order. The North-South meetings themselves do not engage Nigeria's very best foreign service personnel, but its delegations are typically loyal and sturdy in championing African causes in caucuses.

Stances on Key Issues

Along with most other less developed countries, Nigeria has moderated its stance from confrontation to negotiation within the framework of the North-South dialogue. It is, however, still a very strong advocate of changes in the international economic order to benefit the LDCs. In most instances, its delegations support G-77 positions without significant modification or interpretation.

- For political reasons, Nigeria unequivocally supports the G-77 concept of a Common Fund. It views the "second window" as the most important facet of the fund and would favor using this mechanism to finance resource transfers to the LDCs—including the underwriting of export diversification, the processing of raw materials, and the strengthening of research and development capabilities. Lagos believes that direct government contributions should be the major source of funds. It also favors a greater role for the LDCs in managing the fund than would emerge from their respective share of contributions.
- Nigeria supports immediate debt relief for the LLDCs, the landlocked countries, and those classified as most seriously affected (MSAs) de-

spite its own small accumulated debt. While concerned to maintain its good credit rating in the commercial markets, the government views debt relief for the poorer African countries as an important means to increase aid flows.

- Nigeria supports the concept of commodity agreements as a way of protecting the purchasing power of developing countries' earnings from commodity exports. It exports four—cocoa, palm oil, rubber, and tin—of the 18 commodities currently included in the United Nations' Integrated Program for Commodities. Among these, only cocoa is a substantial export earner at present, although the government is seeking to revive other agricultural activities eclipsed by the oil boom.
- Nigeria actively supports increased foreign aid for developing countries, both bilaterally and multilaterally. It is especially adamant that developed countries achieve the 0.7-percent-of-GNP guideline for official development assistance. Interestingly, the Nigerians have been criticized by some African LDCs for not being more forthcoming with their own economic aid.
- Nigeria has taken an increasingly nationalistic attitude toward foreign investment. Lagos supports G-77 proposals to strengthen a country's bargaining position with foreign firms and attempts to use investment policy as a club on Western commercial ties to Rhodesia and South Africa. The Lagos government is a strong critic of what it terms exploitation of developing countries by the multinationals, requiring that foreigners participate on a partnership basis. A joint-venture law is now strictly enforced requiring at least 40-percent Nigerian ownership. Other controls on foreign investment, though tightening, are still loose by many LDCs' standards.

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- Nigeria actively seeks increased and less costly technology transfer to the Third World but prefers to secure its own technical assistance on a bilateral basis rather than through some internationally supervised technology clearinghouse. Priority fields for the acquisition of technology from abroad include petroleum and food processing, distribution facilities, and the development of heavy industry.
- Nigeria is a leading moderate among LDCs in the Law of the Sea negotiations. It is interested principally in securing jurisdictional rights to a proposed exclusive economic zone. Nigeria favors an arrangement, subject to bilateral agreement, that would guarantee landlocked and geographically disadvantaged states access to the sea and living resources of the coastal zones of neighboring states. Nigeria supports easier LDC acquisition of technology to exploit seabed resources but is among the more constructive in seeking practical means of implementation.
- Although any vested interest in the Multilateral Trade Negotiations (MTN) is muted by a still-struggling manufacturing sector and a narrow set of exports covered by other international agreements, Nigeria is one of the more active LDC participants. Lagos generally follows the LDC line against proposals such as selective application of safeguards while advocating LDC exemption from countervailing duties and emergency balance-of-payments measures. Nigeria is a strong and vocal proponent of "special and differentiated treatment" for the least developed countries in all areas of trade and for all LDCs in the area of technical assistance. Lagos is also concerned lest it lose some of the benefits accorded by its participation in the Lome Convention and other agreements.
- Nigeria is one of the most active supporters of G-77 demand for an expanded, permanent Generalized System of Preferences for trade with LDCs. It is particularly displeased to be excluded from this system because of its membership in the Organization of Petroleum Exporting Countries. Like Indonesia, Venezuela, and Ecuador, it considers this treatment unfair because it did not participate in the 1973 oil embargo.
- Nigeria supports G-77 demands for increased voting strength within international financial institutions—particularly the IMF and IBRD—whereby the LDCs would get greater representation and weight in decisionmaking. (A recent IMF quota review, which took into consideration the growing economic power of the OPEC states, resulted in a doubling of Nigeria's weighted vote to reach about 1 percent of the total.) Interestingly, Nigeria—like many other Third World nations—eschews weighting and argues for a one-nation one-vote rule for new organizations, such as the proposed International Seabed Authority, because this would assure G-77 dominance.

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ANNEX B

NIGERIAN VIEWS OF THE USSR

As a generalization, informed Nigerians probably pay about equal attention to the USSR and the United States. Many view the US and West European countries as basically more relevant to Nigeria's own interests and those of Africa than is the Soviet Union. They feel the US potentially can—if it would only act—do more than the USSR to bring about positive and lasting benefits both to Nigeria and in terms of desired social and political changes in southern Africa. They were by and large suspicious of Soviet as well as Western political intentions toward Nigeria and Africa in general, and, since Nigeria's independence, the USSR has made little progress in influencing the course of Nigerian foreign policy. Despite increased unease about the Soviet and Cuban role in Africa, many Nigerians feel that the Soviets and Cubans have stepped into the breach in order to help Africans help themselves. Specifically, many Nigerians see the two countries as playing an important and progressive role both in militarily supporting southern African liberation movements and in helping independent African governments maintain their hard-won independence and territorial sovereignty.

Views of the USSR Relative to the United States

Nigerians believe that Nigeria, as an aspiring regional power with a strong sense of independence vis-a-vis all the outside world, should strive for a comparative balance in relations with the two superpowers. They see this as helping to offset the impression held by many Nigerians that Nigeria's foreign policy has tilted excessively toward the US and as helping to make Nigeria's professed nonalignment more credible and its dedication to African and Third World causes more apparent. They feel Nigeria should try to keep relations on a relatively pragmatic, issue-oriented basis that militates against an overly close relationship with either great power. In sum, Nigerians feel that their country must maintain at least outwardly cordial and normally productive relations with the USSR, in part to balance its relations with the US and the West generally. They see periodic exchanges of high-level

visitors between Nigeria and eastern bloc countries as one of the most obvious ways to serve this purpose. They see continuing some economic and military links with the USSR as leverage on the West, an adroit balance in an essentially bipolar world.

Historically speaking, Nigeria's relationship with the USSR and the US has not always been interrelated. A decline in relations with one does not automatically mean improvement in relations with the other. The tone and warmth of each relationship to a degree are set independently from events occurring in the other relationship. This phenomenon will probably become even more noticeable should Nigeria continue to become an increasingly important and confident political force in Africa and the Third World.

Views of USSR Relative to Africa

Nigerians display ambivalent feelings toward the Soviet role in Africa. By and large they maintain that while there are some grounds for concern over the Soviets and Cubans in Africa, there are some sound reasons for their presence. Many Nigerians feel the US is excessively preoccupied with the matter. This attitude reinforces Nigerian opinion that US policy toward Africa is critically shaped by concern over Communist influence. Many Nigerians feel that the presence of Soviets and Cubans in Africa is of more appropriate concern to Africans than to Americans.

Nigerians view Africa's priorities as the liberation of southern Africa and the maintenance of the territorial integrity of independent African states against the threat of secession or invasion. In this regard, they currently see the Soviets and Cubans as less of a threat to African nationalism than the continuation of white minority rule and the possible dismemberment of an African state. Nigerians view Nigeria as a "progressive" force in Africa and so far see the Soviets as generally siding with Africa's progressive states over southern Africa, the Horn, and Angola.

Soviet presence is regarded by Nigerians as introducing the risk of superpower confrontation on the

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continent to the detriment of Africa's interests as perceived by Nigeria. The risk seems acceptable to many Nigerians, however, so long as the Soviet presence is not so great that it provides a US counterresponse.

At the same time, the more informed Nigerians are becoming more concerned and ill at ease over the growing Soviet-Cuban role in Africa. They see the USSR as a white, possibly colonialist great power and a greater potential threat to Africa than the Cubans, whom Nigerians do not regard as surrogates for the Soviets. These Nigerians realize that Soviet influence might not always be exerted for African causes which Nigeria supports. Nigerian ambivalence toward the Soviets could turn hostile should Moscow be perceived as pursuing policies which Nigeria viewed as antithetical to its own interests or to its definition of Africa's interests.

Because of Nigeria's overall commitment to majority rule, Soviet provision of arms to southern African liberation movements is welcomed by Nigerians. In this regard, from the Nigerian perspective, the Soviets have long done more to support liberation movements than the US. Although Nigerians tend to believe force will be the only eventual solution to the problems of southern Africa, the more pragmatic feel that moderate Western initiatives toward a settlement should continue to be given a chance—along, however, with continued guerrilla pressure to move negotiations forward. These Nigerians would be reluctant to see further drastic expansion of Soviet-Cuban support on behalf of Rhodesian or Namibian nationalists unless all hopes for peaceful settlements collapse. They are reluctant to see another Angola-type civil war and the threat of a superpower confrontation. Nonetheless they believe the possibility of future Cuban activity in southern Africa will spur Western efforts to reach settlements.

The Nigerians reluctantly recognize that independent African states have the right to invite foreign troops to help preserve their territorial integrity. Most are unhappy over the presence of any foreign troops in Africa, and prefer to see them withdrawn when conditions permit this. In the recent Horn of Africa conflict, Nigeria did not approve of Ethiopia's calling for Soviet and Cuban help, but Somali aggression made it palatable. Lagos did from time to time express private concern over the massive infusion of Soviet arms and Cuban troops in Ethiopia. It did not do so vigorously, in part because of its own mediation effort

and because of its private sympathy for Ethiopia. Nigeria's own civil war experience in crushing an attempted secession also makes it reluctant to condemn publicly the use of foreign personnel to preserve the territory of a fellow member of the Organization of African Unity. As for Angola, the Nigerians are privately embarrassed that the role of the Soviets and Cubans continues to be so critical for the maintenance of the MPLA in power and wishes President Neto could be rid of them. Nigerians, nonetheless, continue to accept the Soviet-Cuban presence in Angola as necessary for defense against the allegedly South African-backed UNITA forces and to consolidate Angolan independence under anti-South African MPLA rule. There, as in Ethiopia, the Nigerians are not likely to condemn the Soviet-Cuban presence openly.

Closer to home, the Nigerians are more sensitive to Soviet and Cuban activity. They view the Soviet and Cuban presence in neighboring Benin with some concern, for example, fearing that Cotonou might be used as a base for interfering in Nigerian internal affairs during the transition to civilian rule.

Views of the USSR in the Bilateral Context

In terms of strictly bilateral relations, Nigerians would seem to want relatively little from the USSR.

Economic Sphere—Nigerians look primarily to the US and Western Europe for trade, aid, and investment. They view the USSR as an occasionally useful alternative to the West as a source of technology and expertise they need for development. This serves them as a useful counterpoise to basic dependence on the West and helps give their proclaimed nonalignment credibility. Overall, Soviet economic penetration in Nigeria is quite modest. The Soviets account for less than 3 percent of total foreign trade with Nigeria. Lagos has turned to the Soviets in recent years for support of only a few large contracts—construction and staffing of an oil training institute, participation with other countries in building a planned steel complex, and construction of an oil pipeline. There is, however, relatively little to show in the seven-year-old steel project, which is a source of considerable annoyance to the Nigerians.

For the future, conditions may be more favorable for modest increases in Soviet economic penetration. Nigeria's declining oil production and revenues, and budgetary austerity projected at least through fiscal year 1978/79, will cause the Nigerians to shop around

for bargain prices on projects and credits. This, along with Nigeria's recent tendency to work out state-to-state economic arrangements, could provide some greater opportunities for Soviet economic collaboration. This seems unlikely to lead to any substantial gains at Western expense.

Technical/Education Training Sphere—Nigerians clearly prefer Western degrees and technical training, with American education becoming even more highly regarded. The USSR is being accorded relatively small numbers of technical trainees under the massive middle-level management training program that Nigeria recently launched in cooperation with several foreign countries, especially the US. There are fewer than 700 Nigerian students in all Communist countries versus some 15,000 or more in the US alone.

Military Sphere—Nigerians, because of the cutoff of foreign arms during Nigeria's own civil war, are agreed on the need to diversify arms purchases to avoid excessive dependence on any one source. Nonetheless, they seem to regard the USSR as a more reliable or convenient supplier of certain sophisticated weaponry such as jet fighters than are Western countries. Many have not forgotten that the US and Britain refused to sell fighters during the Nigerian civil war, while the Soviets did—an act for which Nigerians are still grateful. There is, however, considerable sentiment in the Nigerian Air Force today that, on technical grounds, Western fighter aircraft are preferable.

Nigerians also agree on the need to diversify military training for Nigerian officers and specialists among a variety of countries—currently the US, the UK, India, and the USSR—for which Nigeria pays in cash. Advanced staff training for hundreds of Nigerian officers yearly in the United States and the UK is particularly prized, though Nigeria has begun a program to give more of such training at home and has expressed interest in US assistance in developing the Nigerian defense academy into a degree-awarding institution. There are only about 25 to 30 military advisers/technicians from the USSR in Nigeria in connection with MIG-21 pilot training, and most of the small number of Nigerian military trainees in the USSR are being trained to maintain the aircraft. The Nigerians are generally dissatisfied with the quality of air force training provided by the USSR, along with the lack of English-language capability among Soviet advisers, and certainly with the racial attitudes.

Leftist Ideology in the Military—There is no evidence of a core of pro-Soviet, leftist-oriented officers in the

Nigerian military. Generally speaking, there is little or no adherence to any avant-garde ideology in either the ruling military council or the officers corps itself. This may be the result of the general ambivalence of the officers corp toward Nigeria's intellectuals, including homegrown socialists, who generally view the military with disdain and feel they are less well educated and less sophisticated.

Nigerian Communists and Socialists—Those few Nigerians who pay the closest attention to the USSR, for vested personal reasons, seem unlikely to emerge as a major political force under civilian rule, although leftist labor leaders could wield some influence.

Orthodox pro-Soviet Nigerian Communists, who can probably be considered to be under direct Soviet influence or control, account for only a small fraction of the Nigerian left. Accurate figures are unavailable, but the underground Communist movement probably numbers some 5,000 or so. Nigerian Communists contribute to the prosocialist orientation of the Nigerian left, but there is no evidence that they dominate it. They are drowned in a babble of socialist rhetoric—some of it highly unorthodox—that comes from Nigeria's indigenous, homegrown leftists. Soviet propaganda probably provides some grist for socialist-oriented individuals among students, journalists, lawyers, and university professors. Indigenous leftists led the anti-Western outcry in Nigeria over Western opposition to recognition of the MPLA government of Angola in 1975 and over the assassination in 1976 of former Head of State General Muhammad, who backed the MPLA government against its South African-aided rivals.

Nigerian socialists were well represented on the government-appointed committee that last year drew up Nigeria's new draft constitution for civil rule. They pressed—unsuccessfully—for a constitution that would have called for Nigeria to be declared a socialist state and committed it to work for socialist economic goals. The draft constitution calls for continuation of a mixed economy, with the government to manage the major sectors of the economy—more or less like the present system. Nigerian socialists have been among the most persistent critics of the draft constitution. The issue of whether or not Nigeria should be declared a socialist state, however, did not become an issue of contention in the constituent assembly, which recently reviewed the draft constitution and which approved without apparent difficulty the section calling for a mixed economy.

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Looking toward civilian rule, a socialist-oriented party built around indigenous leftists will probably emerge in alliance with or alongside a resurrected quasi-Communist party. Such groups are likely to be a limited force in Nigerian politics, though the issue of economic retrenchment and how to manage the economy may provide leftist politicians with some greater ammunition in political campaigning. The major parties that will emerge will be based principally on ethnic and regional appeal and not on their economic philosophy. There have been some public suggestions in Nigeria that the leftist labor unions—12 formerly

WFTU-affiliated group among the 43 component unions that make up the new central Nigerian labor organization, the Nigerian Labor Congress—should unite with socialists to form a political party. The government's new draft constitution and the constitution of the Nigerian Labor Congress would seem to forbid such a formal linkup. While socialists undoubtedly can count on private political support from leftist trade unions, the US Embassy doubts that the socialists could effect a political marriage with the entire Nigerian Labor Congress, whose president is a pro-Soviet leftist.

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ANNEX C

DEMOGRAPHIC DATA

Nigerian demographic data are among the poorest in the world. Birth and death statistics are published regularly only for Lagos and are not representative of the rest of the country. There are no reliable census data from which to calculate and project current demographic figures.

The 1963 census, which enumerated 55,670,055 people, is still used by the Nigerian Government as a foundation for population estimates from which revenue allocations are calculated. Most observers believe that the 1963 census was overenumerated by as much as 9 million and that the numbers were exaggerated more in the north than in the south. It showed that nearly 53 percent of the population (30 million people) lived in the predominantly Muslim north, a figure that was challenged in the predominantly Christian south.

A 1973 census was nullified because of its even more controversial conclusions. It showed that, of an overall population of 79,758,969 (believed to be inflated more than the 1963 census), the portion living in the north had increased to 63 percent (50 million people).

A recently completed voter registration campaign showed that, of the 47,433,757 Nigerians who registered to vote, 52 percent lived in the former Northern Region, 21 percent in the former Eastern Region, 22 percent in the former Western Region, and 5 percent in the old Mid-West Region. Although the regional percentages are commensurate with those from the 1963 census, the figures may have been manipulated by the Electoral Commission.

All data in this annex have been taken from United Nations demographic reports or are based on UN figures unless otherwise indicated. The UN figures in turn have been calculated from a combination of projections from the 1963 census and a few current Nigerian statistics.

Current Population

The mid-1978 estimate of Nigeria's population is 68,486,000. Nigeria is the most populous country in

Africa and the tenth most populous in the world. Its population accounts for about one-sixth of the total population of Africa.

A Nigerian demographer, writing in the *Lagos Daily Times* in March 1978, estimated the population to be between 87,000,000 and 104,000,000. He based his calculations on the number of Nigerians who have registered to vote (18 is the minimum voting age) and on a low estimate of 42 percent of the population under 15, a high estimate of 48 percent of the population under 15. The Electoral Commission has announced that the total number of registered voters is 20 percent larger than projected. In any event, basing a population estimate on Nigerian statistics is a risky business.

Population Density

Population density in Nigeria is 74 persons per square kilometer, about the same as in the state of Illinois, and more than twice the figure for all of Africa.

Growth Rate

Nigeria's population is growing at a rate of 2.85 percent yearly, a rate which will double the population in 24 years. The current crude birth rate is 49.2 per thousand per year; the crude death rate is 20.7 per thousand per year. The birth rate is among the highest in the world and nearly three times the rate for the United States (0.93 percent yearly). The death rate is also among the world's highest, although currently lower than the rates for most West African countries. It is more than twice the rate for the United States. The growth rate has risen steadily since the 1960s, largely a result of improved health conditions and a declining mortality rate. It is expected to reach 3.0 percent by 1980 and remain above 3.0 for the rest of the century. The population is projected to reach 100,000,000 in the early 1990s (see table C-1).

Economic development is hard pressed to keep up with population growth. Few officials, however, are concerned with the rapid growth and there is no

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organized family planning program. Most officials believe that the economy can absorb the expected population increase.

Table C-1
Population Projections for Nigeria
(thousands)

	1975	1980	1985	1990	1995	2000
High variant	68,925	72,473	84,871	98,723	116,159	136,954
Medium variant	68,925	72,400	84,815	98,439	115,351	134,690
Low variant	68,925	72,437	83,907	97,813	112,397	128,749

Life Expectancy

Life expectancy for Nigerians born in 1978 is 43.5 years.

Age Structure

The Nigerian population, like that of other developing nations, is a youthful one. About 46 percent of the population is under 15 years of age. The corresponding figure for the United States is 28 percent. The median age in Nigeria is less than 17; that in the United States is 28.

Table C-2
Estimate and Projection of Percentage Distribution
of Nigerian Population by Major Age Group
Based on
(medium variant)

	0-4	5-14	15-64	65+
1970	18.3	28.5	52.9	2.2
1985	19.1	27.0	51.4	2.5
2000	18.4	27.9	50.9	2.8

The Labor Force

The Nigerian economy cannot absorb all of the new entrants into the labor force, which is believed to comprise between 3 million and 4 million wage earners. Each year, more than 700,000 Nigerians become potential entrants into the labor force—most from the primary schools, about 50,000 from the secondary schools, 2,000 from the universities. Many of the candidates, however, continue their education, many of the women marry, and many of the men stay on the farm. Of the rest, about 116,000 obtain jobs, according to the 1975-80 Nigerian Development Plan.

Probably about 200,000 Nigerians enter the ranks of the unemployed each year. Most of the unemployed are unskilled rural youths who have migrated to the

cities. While unemployment continues to be a serious problem for the young and little educated, skilled and semiskilled workers are in short supply.

Urban Population

More than 20 percent of the Nigerian population lives in towns of 20,000 or larger; about 11 percent lives in cities of 100,000 or larger. The 1975 population of Lagos was 1,060,848; including suburbs, it was 1,476,837. There are 26 other cities with populations of more than 100,000.

The cities have grown at a much faster rate than the rest of the country. Lagos is growing at a yearly rate of more than 100,000. (A recent US Embassy estimate placed the yearly increase at 250,000.) The rapid urban growth has contributed to problems shared by other major cities in developing countries: slums, unemployment, lack of services, and high crime rates.

Education

The Nigerian literacy rate is estimated to be about 25 percent, a figure that has increased steadily since independence. (The 25-percent rate may be misleading because many of those classed as literate have fewer than four years of schooling.) Literacy varies geographically: it is highest in urban areas of the south, lowest in rural areas of the north. The Ibo and Yoruba have a much higher literacy rate than the Hausa and Fulani.

The north lags far behind the rest of the country in quantity and quality of education. Few northerners have received secondary schooling and few have been Western educated. Most of Nigeria's educated manpower comes from other parts of the country. The Ibo surpass all other groups in educational level and have a disproportionate number who have been trained in Western universities.

Nigeria has a higher percentage of university graduates among its population than other black African countries but otherwise has a low overall level of education. The government has taken steps to rectify this deficiency. It now spends more of its budget on education than on any other developmental sector. It embarked on a program in 1976 that is to increase primary-school enrollment from less than 5 million in 1975 to 11 million in 1980, secondary-school enrollment from less than 500,000 to 1 million. Enrollment is being increased from 23,000 to 53,000 in the university system with the addition of seven universities to the existing six.

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ANNEX D

ECONOMIC CONSIDERATIONS

Introduction

Oil is not a flexible foreign policy instrument for Nigeria because of its own heavy economic dependence on oil revenues. Finding new customers would be too costly to Nigeria for Lagos to reduce or cut off oil shipments except for the most dire political reasons. The usefulness of oil as a political tool will be even further reduced over the next several years as Nigeria's requirements for oil-generated income rise.

Agriculture is more of a burden than an asset in the making of foreign policy. Major agricultural exports are depressed and food imports are growing.

Economic Setting

Nigerian economic development has progressed reasonably well since the onset of oil production two years prior to independence in 1960. Led by petroleum sector development and continuing good performance in agriculture, real economic growth averaged a moderate 5 percent during the early 1960s. Temporary disruptions caused by the Biafran war (1967-70) caused economic growth to decline sharply during 1966-68. Nevertheless, the economy was on the mend even before the war ended, and the lost ground had been recovered by 1970. Nigeria's present gross domestic product (GDP)—around \$30 billion—underwrites a per capita income of nearly \$400. Consequently, although backward by OPEC standards, the country ranks among the middle-income developing countries and ranks high among African neighbors.

With the fourfold increase in oil prices in 1973-74, the Nigerian Government embarked on a massive development plan emphasizing infrastructure, education, and industrialization. The resulting spending spree sent consumer prices up at a 35-percent annual rate and created a monumental backup of ships and goods at the country's ports. Nigeria's balance-of-payments surplus quickly dissipated, and Lagos entered the Eurocurrency market this year for more than \$2 billion to maintain acceptable reserves of foreign exchange. Despite these problems, real GDP growth

during 1975-77, although below planned levels, averaged a respectable 7.5 percent a year. Most of the expansion occurred in the construction, manufacturing, and government services sectors.

The oil boom has exacerbated a range of socioeconomic problems, particularly in Nigeria's rapidly growing urban areas. In Lagos and other big cities, attendant problems of high urban unemployment and underemployment, overcrowded transportation facilities, exorbitant rents, and traffic congestion rank with the worst in the Third World. At the same time, a relatively few businessmen and the government elite have been able to accumulate substantial new wealth. Although the government has made some strides in using petroleum revenues for social betterment, the average Nigerian still feels that he has benefited little from oil wealth. Urban dwellers grumble over inflation, corruption, and poor living conditions, while low-ranking military personnel resent the perquisites of the military elite.

Oil

Oil is by far Nigeria's most important economic asset. It is a major world producer of high-quality, light crudes and ships the bulk of its output to the industrialized West. Nigeria is a close second to Saudi Arabia as a source of US imported oil. The United States, in turn, is by far the most important customer, absorbing approximately half of Nigeria's exports. Petroleum dominates the Nigerian economy, accounting for 35 percent of GDP, 90 percent of foreign exchange earnings, and 80 percent of total public revenues.

In terms of oil reserves, at 20 billion barrels Nigeria ranks well below the leading Middle East producers. At the same time, petroleum revenues are the key to financing the expansion of the country's economic base, before the oil fields are exhausted. These facts have governed official oil policy for the past several years and have given a sense of urgency to the ongoing multibillion-dollar industrialization program. Current reserves would sustain the recent average production

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rate of 2 million barrels per day through the end of this century.

To conserve oil resources and yet maintain a high level of vital revenues, the present regime has followed an aggressive oil policy that has placed severe strains on government relations with the producing oil companies. Lagos has imposed production ceilings on most of the oilfields. In many cases, these ceilings are so low that wells are producing at uneconomic levels; in others, the reduced flow rate is causing wells to become clogged with sand, affecting their productive capacity. Until recently, the government focused its pricing efforts on maximizing per-barrel revenues through several unilateral price increases that made Nigerian oil among the most expensive of the crudes produced by members of the Organization of Petroleum-Exporting Countries (OPEC). Company profits during much of the 1975-77 period hovered around 30 cents a barrel, which officials claimed was inadequate. Investment flows were cut to a trickle.

Nigeria is feeling the impact. Production capacity has declined from 2.5 million b/d to 2.3 million b/d, a result of (1) the absence of proper routine maintenance to prevent wells from sanding up and (2) normal depletion of developed reservoirs without bringing enough new wells into operation. In addition, Lagos has been hit hard by the increased availability of cheaper North Sea and Alaskan oil and has failed to keep pace with price reductions by traditional competitors, particularly Algeria and Libya. Monthly output slipped from an average of 2.1 million b/d last year to 1.5 million b/d in March, the lowest in more than six years.

Since last summer, the government has indicated that it is finally coming around to a more pragmatic petroleum policy. Lagos first attempted to get oil investment on the move again by providing a package of increased tax writeoffs and other financial incentives to expand oil company operations and to speed up development of high-cost offshore areas. More recently, it has adopted a more flexible oil pricing policy designed to boost sales and stabilize company profits during the current world market slump. Lagos has cut prices twice this year and is offering an additional discount to customers who raise their liftings beyond the average for the January-March 1978 period. Liquefied natural gas exports could offset some of the decline in oil exports, provided some major problems are overcome. Current plans call for building one LNG facility with a capacity of 2 billion cubic feet per day and an estimated price tag of \$7-8

billion. Foreign oil companies participating in the project are to provide one-third of the cost, but they are hesitant to put up their share without government guarantees of some kind. The companies anticipate an unstable political environment associated with the return of civilian rule. Lagos has also been unable to secure firm orders for the LNG. It is counting on the US to become the sole market for the LNG exports, but the US administration's energy program may well hold US purchases below what Lagos has in mind. Nigeria could be exporting LNG by 1983 if all the obstacles are removed within the next six months or so.

Nigeria and OPEC

Nigeria views its membership in OPEC as one of its most important and beneficial foreign associations. Nigeria's main aim in OPEC is to maximize its oil revenues, and its policy, under the Obasanjo regime, has been to press for the highest possible oil prices. In view of prospects for only limited increases in oil production and Nigeria's growing revenue requirements to maintain economic growth, Lagos can be expected to support maximum oil prices.

Loyalty to OPEC and the high priority it assigns to its own development needs have prevented Lagos from selling oil at concessionary prices to other African countries to win political support for its claim to continental leadership. The only relief that Nigeria supports is to participate in OPEC's special oil fund, which assists developing countries in financing increased oil import bills.

Although Nigeria fully supports OPEC, it has expressed dissatisfaction with members attitudes toward sub-Saharan Africa. Lagos takes a particularly jaundiced view of the activities of radical Arab states in black Africa, especially those of Libya and Algeria, which are regarded as potential competitors for leadership in Africa. Recently, Nigeria has begun to complain that the Arab states have not extended as much support to southern Africa's struggle for majority rule as Africa has for the Arab position in the Middle East.

Agriculture

Nigeria's agricultural sector will not pick up the anticipated slack in oil earnings. Indeed, any increase in rural export earnings will depend largely on favorable market prices rather than increased output.

Agricultural production, the pre-oil backbone of the Nigerian economy, has not recovered from the devas-

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tation of the 1967-70 civil war. Production has declined because of limited availability of fertilizer and other inputs, the loss of productive labor as young farmers migrated to higher paying jobs in the cities, and—in the case of export crops—low government-controlled producer prices. During the past several years, these problems have been exacerbated by disease and adverse weather that have had a particularly severe impact on the peanut and cocoa harvests. As a result, Nigeria—formerly the world's leading peanut exporter—is now importing peanut oil, and has slipped from its pre-civil-war position as the second largest cocoa producer to fourth.

Government efforts to revitalize agriculture offer little change for significant improvement. Although government-set producer prices for major export crops

were raised substantially during 1975-77, farm incomes have barely kept pace with inflation.

Federal commodity boards are attempting to induce farmers away from subsistence living and into market farming by guaranteeing a ready market and a minimum income. A long list of conditions, however, has to be met to qualify for loans, and it is uncertain whether the boards' prices are sufficiently attractive. Moreover, only a small fraction of the targeted credit volume to farmers has been made available, despite government pressure on commercial banks to increase agricultural loans. Some progress has been made in government-sponsored irrigation schemes, but other major programs involving commercial crop and livestock development projects have been given low priority by the regime.

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ANNEX E

THE NIGERIAN ARMED FORCES AND INTERNATIONAL PEACEKEEPING

Overview of the Nigerian Armed Forces

The Nigerian armed forces, the largest in black sub-Saharan Africa, are capable of maintaining internal security, but do not have the capabilities in logistics, maintenance and troop transport for sustained combat. Although poorly qualified to constitute a large international peacekeeping force, the armed forces are capable of contributing two or three battalions, including the one already serving with the United Nations Interim Forces in Lebanon (UNIFIL).

The Nigerian Army is a force of some 225,000 men. (Even the Nigerians are unsure of the exact Army strength, indicating the lack of organization and control which characterizes the force.) The Army is basically an infantry force organized into four divisions. A major reorganization plan designed to reduce the size of the force and improve its mobility and other capabilities has been under way for several years, but its effects so far have been very limited.

Although Nigeria is moving to phase out obsolescent items and upgrade the quality of its inventory, the Army's supply of weapons and equipment is generally adequate for its missions. Nigeria's ability to support its forces with locally produced materiel is limited, and most arms and equipment are purchased from Britain and the USSR. Weapons on hand include Scorpion light tanks; Saracen armored personnel carriers; Panhard, Saladin, and Ferret armored cars; 105-mm and 122-mm howitzers; and 20-mm and 40-mm air defense artillery.

Quality of Personnel

[REDACTED] Many officers are involved in their own personal enterprises and are frequently absent from their duties. [REDACTED] because of years of living outside military quarters, the force has

become habituated to living at the expense of the populace. The level of training, moreover, is extremely low. Training during recent years has been limited to some ceremonies, a few firing exercises, and an intensive competitive sports program. Little combat-associated training takes place.

Logistics and Organization

Because of Nigeria's limited air and sea transport capabilities, extensive external logistic support would be required to move anything more than small numbers of Nigerian troops and their materiel to a peacekeeping operation. Nigeria's ability to transport and support forces abroad is confined primarily to the Air Force's six C-130H and three F-27/28 aircraft supplemented by civil aircraft. While the C-130s have performed well, first in shuttling about 2,500 Zimbabwe guerrillas and recruits between Mozambique and Tanzania in mid-1977, and then in assisting civil aircraft in transporting the 81st Infantry Battalion and its equipment to Lebanon, major problems persist in the areas of maintenance, logistics, and trained personnel. An example of the severe pilot shortage is the availability of only three qualified crews to fly both the C-130s and the F-27/28s.

The Navy, largely a coastal patrol force, is not capable of contributing to troop transport or support activities since its one light cargo ship is inoperable.

Although the Army staff is currently attempting to develop a logistic system along the lines of the United States Army logistics will remain a serious problem for some time to come. Inept maintenance personnel and poor repair practices cause a high proportion of weapons and equipment to be out of operation at any one time. For example, the Nigerian Army purchased 5,000 trucks from the United States, but in a short time over half were inoperable or destroyed because of misuse and the lack of preventive maintenance. Supply procedures are inadequate to support long-term or large-scale combat operations.

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Nigeria's air and sealift capabilities are unlikely to increase significantly in the future. The Air Force has focused on developing its fighter and helicopter units rather than on enlarging its fleet of transport aircraft, and, although the number of pilots on duty will grow, few are likely to be assigned to the transport group. Similarly, the Navy's plans for modernization and expansion call for purchases of frigates and patrol craft but not transport ships.

Mobilization Capability

The Army was able to deploy the 81st Infantry Battalion to UNIFIL on relatively short notice, but few other units are likely to match this state of readiness. Given time, Lagos could devote resources to preparing additional battalions for possible peacekeeping roles. Indeed, in anticipation of the formation of a UN Zimbabwe Force, part of the Anglo-American plan for Rhodesia, Nigeria indicated its willingness to contribute and in October 1977 designated the 29th Infantry Battalion as the unit that would be sent. Presumably training for this or a comparable mission

is continuing, but the state of readiness is unknown. Those ground force units that were sufficiently trained and equipped for overseas duty could be supplemented by the National Police Mobile Force (NPMF), a paramilitary organization that is considered superior to the Army in terms of training, discipline, communications, and equipment maintenance. However, during the transition to civilian rule the Federal Military Government will probably prefer to keep the mobile police readily available in case of domestic unrest, and the new civilian government will probably make similar calculations, so it is unlikely that the NPMF will be deployed abroad in the foreseeable future.

Conclusion

For a wide variety of reasons, which are probably not subject to change except over the long term, the Nigerian armed forces are ill prepared for a major role in an international peacekeeping force, although a few battalion-size units could be assembled to form part of a larger force.

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ANNEX F

THE NIGERIAN MINISTRY OF EXTERNAL AFFAIRS

The Nigerian Ministry of External Affairs (MEA) is headed by a commissioner, usually a member of the Supreme Military Council (SMC), the collegial body that governs Nigeria. The current Commissioner is Maj. Gen. Henry Adefope. The Commissioner is assisted by a career staff headed by a Permanent Secretary. The ranking civil servant within the Ministry, the Permanent Secretary serves as head of the Ministry's civil service establishment and as the chief adviser to the minister. The incumbent is John Ukegbu. The Ministry is divided into 14 major sections, which appear in the Nigerian Office Directory as follows:

- Protocol Department
- Administration Department
- Economic Department
- Consular and Legal Department
- Passport Section
- Internal Liaison Unit
- International Organization Department
- Information and Cultural Department
- European Department
- Pilgrimage Commission
- Americas Department
- Asia and Pacific Department
- Overseas Communications Branch
- Internal Audit Section

There are approximately 220 professionals/quasi-professionals in the MEA. Major policy decisions are made by the senior government and MEA officials, but there are approximately 45 individuals in the MEA, ranging from high to middle level, who are involved in the policymaking area. (That number excludes members of those departments concerned with internal and administrative functions.)

Those senior government members most involved in foreign policy decisions attended military schools in

the United Kingdom, including Lt. Gen. Olusegun Obasanjo, Chairman of the SMC; Lt. Gen. Theophilus Y. Danjuma, Army Chief of Staff; and Brig. Shehu Yar'Adua, Chief of Staff, Supreme Headquarters. MEA Permanent Secretary Okegbu, was educated in the United States and has an advanced degree in agricultural economics. The less influential MEA members who have some input into policymaking were educated primarily in Nigeria.

The average high- and middle-level MEA official is in his forties and pursued his higher studies in Nigeria, but a good number attended schools abroad, predominantly in the United Kingdom and the United States. A high percentage of these officers are career foreign service officers.

Nigeria has accredited ambassadors to all but nine of the 111 countries with which it has diplomatic relations. It also has representatives at the United Nations, at the European Economic Community, and with the Vatican.

Available information indicates that of the 72 accredited Nigerian ambassadors 24 received their higher education in the United Kingdom, with approximately five having achieved an advanced degree, three of them in law. The most frequently attended British schools are the University of London, Cambridge, Oxford, Lincoln's Inn, and the Royal Military Academy (Sandhurst). Three ambassadors received their postsecondary education in the United States and attended Harvard and Cornell and the Universities of Connecticut and Pittsburgh. Two ambassadors were educated in France and Italy. The remaining ambassadors received their higher education in Nigeria. The majority of Nigerian diplomats have MEA backgrounds, but there are a few whose backgrounds are in economic or administrative affairs. Some have come through the ranks of regional government and later into the MEA.

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Nigerian embassies vary in size from four to 69 individuals. Most of the Nigerian missions in Africa are relatively small—for example, four individuals in The Gambia, five in Tanzania, seven in Kenya, and nine in Benin. There are, however, 13 in Ethiopia, presumably in part because of the presence of the Organization of African Unity there. The Nigerians have eight persons at their Embassy in Turkey, 11 in West Germany, 13 in France, and 69 in Great Britain; the USSR rates 17, while Romania has five. There are five Nigerians in Japan, 11 in the People's Republic of

China, two in Iraq, 11 in Tunisia, and 10 in Saudi Arabia. There are 27 individuals in the Nigerian Embassy in the United States and 18 at the UN Mission.

In the last few years, the FMG has stressed an increase in educational facilities and the availability of education in Nigeria. In 1974 the university enrollment in Nigeria was 25,000. This may be the beginning of a trend in the country resulting in an increase in the number of totally Nigerian-trained diplomats and government officials.

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